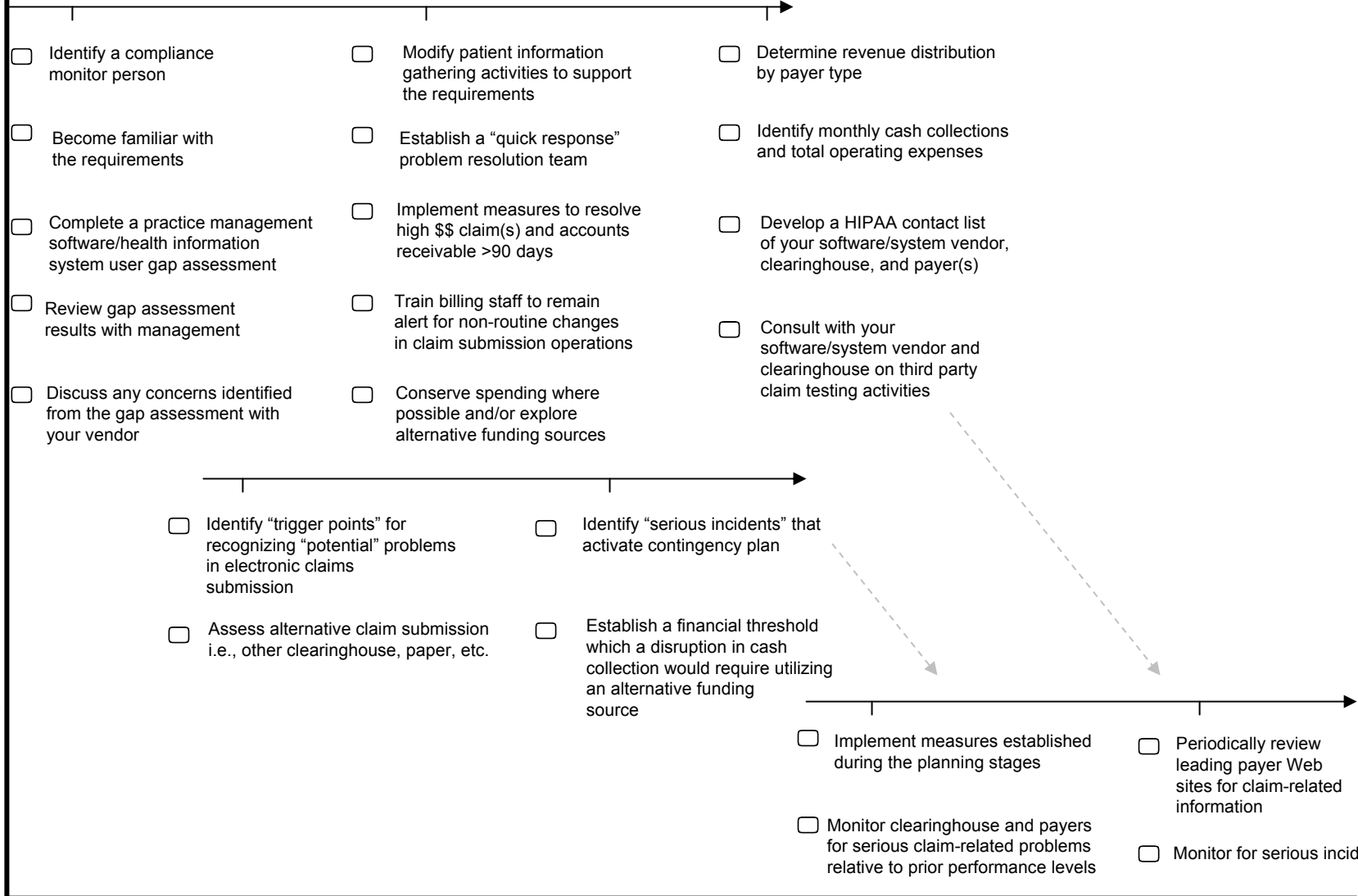
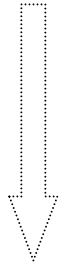


Maryland Health Care Commission

A HIPAA Transaction Implementation (837 Claim) & Contingency Plan Development Guide



Getting Ready For Implementation

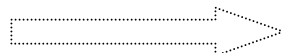


September 1, 2003

September 15, 2003

October 16, 2003

Thereafter



Maryland Health Care Commission

Transaction Implementation (837 Claim) & Contingency Plan Development Guide

Activity Definitions

Identify a compliance monitor person – An employee assigned to oversee that designated internal software/system and other operational changes to support the 837 professional claim have been implemented.

Become familiar with the requirements – Review the 837p and other transaction standards. Consult with your professional association or the Internet for information on the transaction standards.

Complete a practice management software/health information system user gap assessment – User gap assessments are designed to identify incomplete data content or missing fields in your software/system. A gap assessment is encouraged for providers that submit electronic claims. An 837 gap assessment tool is available at the Maryland Health Care Commission's Web site.

Review gap assessment results with management – Discuss data content/missing fields and other related questions from the gap assessment with your management.

Discuss any concerns identified from the gap assessment with your vendor – Review questions identified from the gap assessment that could not be resolved internally with your software/system vendor.

Modify patient information gathering activities to support the requirements – Expand patient data collection and data entry activities to meet the requirements for submitting electronic claims.

Establish a “quick response” problem resolution team – An individual or group of individuals identified to investigate and resolve issues related to electronic claims (837).

Implement measures to resolve high \$\$ claim(s) and accounts receivable >90 days – Follow up on all unpaid claims that are greater than 30 days old

Train billing staff to remain alert for non-routine changes in claim submission operations – Monitor claims rejected by the clearinghouse, claims not accepted by the payer, claims not paid, claims not paid correctly, etc. Determine the average daily/weekly error ratio as a way to monitor performance.

Conserve spending where possible and/or explore alternative funding sources – Carefully monitor spending activities during the 3rd and 4th quarter in the event of a disruption on third party payer cash collections. Consider alternative funding arrangements should a disruption in third party payer cash collection occur.

Determine revenue distribution by payer type – Review accounts receivable/other financial reports to determine revenue mix for all payer types.

Identify monthly cash collections and total operating expenses – Determine the amount of cash collected each month and the costs of maintaining the operations. Ideally, total operating expenses should be less than monthly cash collections. Alternative funding may be necessary to support operating expenses in the event of a disruption in third party payer cash collections.

Develop a HIPAA contact list of your software/system vendor, clearinghouse, and payer(s) – Allows for ease in contacting trading partners.

Consult with your software/system vendor and clearinghouse on third party claim testing activities – Investigate the third party claim testing activities of your trading partners. Review trading partner Web sites for relevant information.

Identify “trigger points” for recognizing “potential” problems in electronic claims submission – Trigger points are defined events that occur which signal a potential problem, i.e., claim submission reports between the payer and the clearinghouse do not balance.

Assess alternative claim submission, i.e., other clearinghouse, paper, etc. – If problems in submitting electronic claims are not resolved in a timely manner (provider defined), providers should consider other ways to route their claims to the appropriate payers.

Identify “serious incidents” that activate contingency plan – These are management defined, serious event(s), that require alternative action(s) to restore operations.

Establish a financial threshold which a disruption in cash collection would require utilizing an alternative funding source – This is the minimum amount of cash in reserves that must be on hand in order to support the operations.

Implement measures established during the planning stages – Put into place all activities related to implementing an electronic 837 identified during the planning process.

Monitor clearinghouse and payers for serious claim-related problems relative to prior performance levels – Review on an ongoing basis all indicators for potential problems, i.e., cash collections, accounts receivable, electronic claims submission reports, etc.

Periodically review leading payer Web sites for claim-related information – Monitor Web sites of leading payers for any HIPAA transaction-related information.

Monitor for serious incidents – Review internal operations and trading partner performance for early warning signs that problems may exist or changes in operations are required.